

BOARD OF FINANCE  
JANUARY 11, 2007

Present: Kathleen McGannon; George Areson; Martin Shapiro; Tom Tesoro; William Crooks; Russell Friedson; and alternates Joanna Bruner and Michael London.

Also present: Lynn Heim, D/F; Lynn Scully, I/A; Ray Baldwin, F/S

The meeting was called to order at 7:30 p.m. by Chairman Kathleen McGannon. All those present joined in the Pledge of Allegiance and a moment of silence.

The following is a brief summary of the session. The complete record is on tape in the office of the Finance Department.

Public Comments:

Bernie Roy...spoke about the wish list (CIP) that appeared in the newspaper and The Yankee Institute, a publication that studies the fiscal policy in the State of CT.

Wanda Dick...suggested the town take under consideration the number of senior complexes in the town and give each complex a rate and let their taxes be frozen for one year.

Howard Swanson...suggested that an article be written about municipal bonds in layman terms so that it would give each citizen an understanding on how it works. It should also be put on the website.

Tony D'Aquila...spoke regarding the Senior Center. Recommends we do not proceed with the renovation. Also, why was there no public hearing on the Capital Improvement Plan.

George Areson moved to take the Capital Improvement Plan out of order; seconded by Tom Tesoro. Motion carried unanimously.

Ray Baldwin, First Selectman, explained that this committee was established by him to evaluate the town's capacity and ability to bond in the future. The charge of this board is not to make any recommendations with regard to any specific projects. They reviewed a list of capital improvements that were requested by the Board of Education and the Town departments for the next five to seven years. They are only making financial judgments.

John Malfettone explained that the charge of the committee was to evaluate the impact of bonding for the Town's and BOE's capital needs on the budget and credit rating and the taxpayers. He, along with Matt Spoerndle of People's Bank, put together a model

showing a long-term capital spending forecast to be used as a tool for the Board of Finance and the Town Council during the budget process. They put together a wish list from the departments and used People's interest rates and reasonable assumptions with regard to the Grand List and the operating budget.

To summarize, our Financial Advisor believes if everything were to be done on the list, the impact to the Town's debt ratios would not have a negative impact on our strong credit ratio of Aa2.

George Areson moved to take Agenda Item 1/07/01 out of order; seconded by Tom Tesoro.

Mr. Areson moved 1/07/01 as presented; seconded by Tom Tesoro.

1/07/01...Resolution appropriating \$950,000 for renovations to the Senior Center, and authorizing the issue of \$350,000 bonds of the town to meet said appropriation and pending the issuance thereof the making of temporary borrowings for such purpose.

George Areson to approve 1/07/01; seconded by Tom Tesoro.

Present for discussion was John DelVecchio. The Town received a small cities grant from the State of CT in the amount of \$600,000. After subtraction of administrative costs, the town was left with \$535,000. Major renovations included an elevator for handicapped seniors, new heating and air conditioning system, and a redesign of the main office area.

In September when the bids were opened on the renovations, the low bidder's price was \$764,000. After review, it was decided to remove certain items, i.e., elevator and electrical fixtures. We thought that if we lower the cost to enable us to move forward, we could then apply for a second grant. The town met with state officials and in December we were notified that our proposal was unacceptable and we must adhere to the project as originally submitted. We now find it necessary to request an additional \$350,000 to cover the shortfall and administrative costs.

Mr. Friedson asked, for the record, "Relative to the construction timing, when is work actually going to start and why is it an issue if we wait another month until we have bids?" Mr. DelVecchio answered "we won't be able to go to the Council until next month. The sooner we get the bids out, we will probably get a better price because construction companies are slower at this time of the year."

Vote: Motion carries unanimously 6 – 0

Mr. Friedson motioned to amend agenda to include a supplemental appropriation in the amount of \$5,000 from the General Fund to BOF Professional Services; seconded by Mr. Crooks. (Copy of Mr. Friedson's statement is attached for the record.)

Mr. Areson feels this is inappropriate at this time and recommends we not approve amending the agenda and put this on next month's agenda.

Mr. Friedson did not want to wait until after the budget season and if we don't address it tonight, a special meeting can be called for.

Vote: Motion fails 2 – 4

Mr. Areson moved to take items 1-07-02 and 1-07-03 out of order; seconded by Tom Tesoro.

Mr. Areson motioned to move 1-07-02 as presented; seconded by Mr. Tesoro.

1-07-02...Golf Course...Appropriate from 21-315200 Retained Earnings the sum of \$168,000 to 21100000-581888 Capital Outlay, \$120,000 and 21100000-578802 Mntnce Equip/Bldg, \$48,000.

Don Miklus was present for discussion. This is to cover replacement of two boilers, maintenance repairs to the clubhouse and resurfacing of the parking lot and road.

Mr. Crooks requested, for the record, the balance in the retained earnings account. Mr. Miklus stated that in the audit of 6/30/05, the amount was \$665,000; it should be around the same number for 6/30/06.

Mr. Friedson asked, for the record, if there was a surplus generated relative to the golf course bonds. Mr. Miklus stated it was a question of the golf course being credited for the bond premium and not being charged totally for the premium and the note and was told that it had been referred to the auditors.

Vote: Motion carries unanimously 6 – 0

Mr. Areson moved 1-07-03 as presented; seconded by Mr. Shapiro.

1-07-03...Golf Course...Transfer from 21100000-522203 Ancillary the sum of \$15,600 to 21100000-501103 Salaries-Seasonal and from 21100000-511104 Services Contract the sum of \$5,335 to 21100000-501101 Salaries-FT.

Don Miklus was present for discussion. Funds must be reclassified to cover outsourcing of after hours security; and since the employment agreement with Director of Golf Course Properties is on a calendar year funds are required to fund the increase of 7/1/06-12/31/06 and 1/1/07 – 6/30/07.

Vote: Motion carries unanimously 6 – 0

Motion made to take Treasurer's Report made by Marty Shapiro; seconded by Tom Tesoro. Motion carried unanimously.

Mr. Musto reported that he made the last payment on one of our bonds of approximately three million dollars.

George Areson moved 1-07-04 as presented; seconded by Tom Tesoro.

1-07-04...P&Z...Appropriate from Unreserved Fund Balance the sum of \$30,000 to 01014200-522202 Prof. Services & Fees.

Timothy Herbst, Chairman, P&Z Commission was present for discussion.

The commission has selected a consultant to perform a comprehensive review and revision of Trumbull Zoning Regulations. The contract indicates the scope of services will not exceed \$50,000. Currently there is \$20,000 in the P&Z budget for updating and revising the zoning regs. In order to make sure that the necessary funds are available to complete the proposed contract, approval for the additional \$30,000 from the Board of Finance and Town Council is necessary.

When asked if there was a way to sign a contract where the work can be broken up into two sections - \$20,000 this year; \$30,000 next year of if this \$30,000 could be included in next year's budget and still achieve what is needed? Mr. Herbst stated that if we were to go through the budget process the contract could probably not be formalized because we want to make sure that we do not exceed \$50,000. Also needed is an additional \$1,000 for printing of the conservation plan and a request is being made at this time to add this amount to the appropriation.

George Areson moved to amend motion to increase from \$30,000 to \$31,000, an addition of \$1,000 to be charged to 01014200-545501 Legal Notices; seconded by Bill Crooks. Motion carried unanimously 6 – 0.

Mr. Herbst stated that the Zoning Enforcement Officer will be working with the consultant when he is not doing his regular job. It was made clear to him that this was to be done in his off hours. This issue was thoroughly discussed with the Town Attorney. An advisory opinion was requested of Mr. Lee, Chairman, Ethics Commission. It was his position that they could not issue an advisory opinion regarding something that is issue specific.

Vote: Motion carried 6 – 0 on amendment

Vote: Motion carried unanimously on amended motion 6 - 0

Minutes of January 11, 2007...Mr. Shapiro moved to approve as presented; seconded by Mr. Tesoro.

Mr. Friedson requested that given the approach that these minutes were written, he has not had time to listen to the tapes and moves that this be tabled; seconded by Mr. London.

Internal Auditor Report...Ms. Scully is in the middle of the planning phase of the town vehicle file as well as the Board of Ed's.

Mr. Shapiro suggested that the First Selectman issue a Certificate of Appreciation for the CIP Committee for the work they have done.

Mr. Tesoro moved to adjourn; seconded by Mr. Shapiro.

Meeting adjourned at 10:15 p.m.

Respectfully submitted,

Gail Bokine, Clerk